



Third Taxing District

2 Second Street
East Norwalk, CT 06855

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Third Taxing District of the City of Norwalk

Commission Meeting

Monday, July 2, 2018 at 7:00p.m.

At the Third Taxing District Office, 2 Second Street, East Norwalk, CT

1. Public Comment – 15 Minute Limit
2. Minutes of Meeting – June 25, 2018 Special Meeting – A/R (Pgs. 1-7)
3. Discussion/Analysis of Financial Statements/Key Performance Indicators (Pgs. 8-15)
4. Holiday Party Date Selection (Pg. 16)
5. Appointment to TOD Study Oversight/Steering Committee – A/R
6. Review of Purchasing Policy – A/R (Pgs. 17-18)
7. Library Roof Update – Possible A/R
8. General Manager's Report
 - APPA Conference Report (Pgs. 19-22)
 - DISC Assessment Update
9. Project Summary (Pgs. 23-32)
10. Adjourn

*A/R – Action Required/See Attached Motion

Agenda backup material is available at the TTD office, www.ttd.gov and will be available at the meeting.

M:\Shared\ Commission Meeting Information\Agenda 7-2-18.doc

District Commissioners

David L. Brown 203-866-8099
Debora Goldstein 203-252-7214
Pamela Parkington 203-858-4261

Chairman
Commissioner
Commissioner

Kevin Barber 203-866-9271
Ron Scofield 203-866-9271
Johnnie Weldon 203- 216-2652

General Manager
Assistant General Manager
Treasurer

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THIRD TAXING DISTRICT
of the City of Norwalk
Special Commission Meeting
June 25, 2018

ATTENDANCE: Commissioners: David Brown, Chair; Debora Goldstein;
Pamela Parkington; Treasurer: Johnnie Mae Weldon

STAFF: Kevin Barber, General Manager; Ron Scofield, Asst. General Mgr.;
Mike Adams, General Line Foreman

OTHERS: Peter Johnson (CMEEC Ratepayer Representative)

CALL TO ORDER

Commissioner Brown called the meeting to order at 7:00 p.m. A quorum was present.

PUBLIC COMMENT

No one from the public was in attendance to comment.

MINUTES OF MEETING

June 4, 2018 Regular Meeting

Commissioner Brown referenced page 3 of the Minutes where corrections from a past meeting were listed. He asked Mr. Barber if he had received a new list of properties that were being acquired by the State of CT for the Bridge Projects. Mr. Barber replied that as of today (6/25/18), he received a comment back from the State of CT that no full property acquisitions have been acquired. He also asked for an updated list which he is still waiting to receive.

Commissioner Brown referenced page 6, 4th paragraph, last sentence. He asked if Mr. Barber had recalculated the budget with the new PCA and CMEEC billable rate. Mr. Barber replied that the recent copy of the Budget that was sent to the Commission included these recalculations.

Correction to Minutes

Page 6 – 4th Paragraph, last sentence should read: The Commission requested that Mr. Barber go back and recalculate the budget with the new numbers and bring the budget back to the Commission.

Third Taxing District
of the City of Norwalk
June 25, 2018

DRAFT

**** COMMISSIONER GOLDSTEIN MOVED TO APPROVE THE MINUTES OF JUNE 4, 2018 REGULAR MEETING AS AMENDED.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

REVIEW & APPROVAL OF 2018-19 ANNUAL OPERATING & CAPITAL BUDGETS

Mr. Barber stated that the Budget had two changes made to it since the last meeting of June 4, 2018. The PCA was lowered from \$0.023/kWh to \$0.013/kWh and results in a reduction in Total Operating Revenue of \$604,000. The second change was the CMEEC billable rate being reduced from \$90/MWh to \$80/MWh and results in a reduction in the Total Operating Expense of \$604,100. Mr. Barber also explained the impact of the changes to the Total Net Income and the Rate Stabilization Fund by making these changes.

Mr. Barber reviewed the 5-year impact of the change and recommends that the rates be reviewed again next year when creating the budget and make any recommendations at that time if warranted. Discussion took place around the timing of revisiting the rates and creating the budget. Commissioner Parkington suggested that the rates be reviewed prior to the budget. Mr. Barber reminded the Commission that the PCA and the Rate Stabilization Fund are monitored on a monthly basis. Commissioner Goldstein suggested April for review which is just prior to the budget review.

Mr. Barber asked if the Commission had any questions about the Capital Budget. He stated that the Rate of Return for the upcoming budget is 6.3%.

**** COMMISSIONER GOLDSTEIN MOVED TO APPROVE THE OPERATING BUDGET AS PRESENTED TO THE COMMISSION FOR THE FISCAL YEAR JULY 1, 2018 TO JUNE 30, 2019.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

**** COMMISSIONER GOLDSTEIN MOVED TO APPROVE THE CAPITAL BUDGET AS PRESENTED TO THE COMMISSION FOR THE FISCAL YEAR JULY 1, 2018 TO JUNE 30, 2019.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

Mr. Barber stated now that the budget has been approved, he believes it would be appropriate for the Commission to formalize the rate changes by making a motion to do so.

Third Taxing District
of the City of Norwalk
June 25, 2018

DRAFT

**** COMMISSIONER PARKINGTON MOVED TO APPROVE THE RECOMMENDATION OF THE GENERAL MANAGER TO REDUCE THE CMEEC BILLABLE RATE FROM \$90/MWH TO \$80/MWH EFFECTIVE JULY 1, 2018.**

**** COMMISSIONER GOLDSTEIN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

**** COMMISSIONER GOLDSTEIN MOVED TO APPROVE THE RECOMMENDATION OF THE GENERAL MANAGER TO REDUCE THE PURCHASE COST ADJUSTMENT (PCA) FROM \$0.023/KWH TO \$0.013/KWH EFFECTIVE JULY 1, 2018.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

DISCUSSION OF A POSTING POLICY FOR RFP'S & EMPLOYMENT OPPORTUNITIES

Commissioner Goldstein stated that in the past there had been requests to have these items posted in the newsletter or on the website. She pointed out that she had discovered that when the First Taxing District posts in The Hour, it also gets posted to Monster. CMEEC, when they have a position available, posts on their website.

Mr. Barber brought up the fact that TTD is going to have an opening in the office next month. He said that the website does have a tab for careers and this would be an appropriate spot to place the employment opportunity. The ad should also be placed in The Hour and on Monster. As for the newsletter, he believes it would not work out due to the timing issue of when it is published and when ratepayers would receive their copy.

Email blasts were discussed and some of the Commissioners had different views on whether or not this avenue should be used for employment opportunities or RFP's.

The Commission requested that Mr. Barber continue the current practice in place for advertising for employment opportunities at TTD.

Discussion took place about RFP's and Mr. Barber pointed out that this was already documented under the Purchasing Policy and where it should be posted, i.e., local paper.

No further action was taken on this item.

CT DEEP CONSENT ORDER

Mr. Barber reviewed his memo to the Commission dated June 22, 2018 which explains the situation with CT DEEP. In 2016, TTD determined that they were in violation of three New Source Review (NSR) Permits for the three Norden generators. The violation was a for failure to

Third Taxing District
of the City of Norwalk
June 25, 2018

DRAFT

conduct a five-year test on the stacks. TTD notified DEEP of this violation and DEEP issued TTD a Notice of Violation (NOV) on December 23, 2016. TTD subsequently completed the testing and notified DEEP. The testing results were accepted by the DEEP Commissioner on September 27, 2017.

It was TTD's belief that everything was fine until they recently received Consent Order #2495 from DEEP with a civil penalty in the amount of \$13,015. Mr. Barber was in communication with a representative (Robin Baena) from DEEP regarding the civil penalty to see what the basis was for the amount of the penalty. He was informed that the amount is what they determined as the cost of the testing. The penalty is to recover the economic benefit of the missed test.

Mr. Barber stated that after discussions with Mike Adams, General Line Foreman and TTD's consultant, it was determined that the testing of the engines would cost between \$12,000-15,000. With the testing of the generators would also come the risk of a failed test. A failed test would require immediate action to resolve the cause of the failure, including a retesting of the engine. The expense of retesting and risk of failure does not make the retest a viable option. The next testing date for the Norden generators is scheduled for February 2022.

Future plans for the Norden generators include the possible installation of CO2 Catalysts. This would allow TTD to meet higher emission standards and run the generators for a high number of hours. The installation of this system would also require the testing of the stacks and put them on a three-year rotation for testing vs. the current five-year rotation.

Discussion took place around the situation to weigh out the best decision to make. It was also mentioned that processes should be put in place to prohibit a situation like this to reoccur in the future.

At this time, it is Mr. Barber's recommendation to execute the consent order as is and pay the civil penalty.

**** COMMISSIONER BROWN MOVED TO HAVE THE GENERAL MANAGER, KEVIN BARBER, EXECUTE CONSENT ORDER #2495 AND PAY THE CIVIL PENALTY IN THE AMOUNT OF \$13,015.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

EAST NORWALK LIBRARY ROOF UPDATE

Mr. Barber informed the Commission that the new library roof is complete and it looks nice. TTD, in conjunction with Gill & Gill, is currently in discussion with the contractor regarding the add-on costs to the project.

The roof had two layers of asphalt shingles on top of the original wood shingles. The building also had what is called a Yankee gutter system. The add-ons are for the removal of the shingles,

Third Taxing District
of the City of Norwalk
June 25, 2018

DRAFT

which were not part of the original bid spec, an extra dumpster, framing of the Yankee gutters and the installation of the wood sheathing on top.

At the April 16, 2018 Commission meeting, the Commission approved \$31,230 for the new roof, which included a base cost of \$21,600 plus any add-ons for sheathing and a potential for gutters. Currently, TTD and Gill & Gill are in discussions with the contractor regarding the add-ons.

There will be a request to the Commission for an allocation to cover the difference once the final amount is determined. Mr. Barber hopes to have this for the Commission at the July 2, 2018 meeting.

**** COMMISSIONER GOLDSTEIN MOVED TO SUSPEND THE RULES AND ADD AN AGENDA ITEM #7 EXECUTIVE SESSION WITH THE SUBJECT SECURITY THREAT.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

EXECUTIVE SESSION

- Security Threat

**** COMMISSIONER GOLDSTEIN MOVED TO ENTER INTO EXECUTIVE SESSION TO DISCUSS SECURITY THREAT.**

**** COMMISSIONER BROWN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Treasurer, General Manager, Assistant General Manager, Executive Assistant and CMEEC Ratepayer Representative entered into Executive Session at 8:33 p.m.

**** COMMISSIONER GOLDSTEIN MOVED TO EXIT EXECUTIVE SESSION AND RETURN TO PUBLIC SESSION.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The Commissioners, Treasurer, General Manager, Assistant General Manager, Executive Assistant and CMEEC Ratepayer Representative returned to public session at 9:36 p.m.

Third Taxing District
of the City of Norwalk
June 25, 2018

DRAFT

ADJOURN

**** COMMISSIONER GOLDSTEIN MOVED TO ADJOURN.**

**** COMMISSIONER PARKINGTON SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 9:37 p.m.

Respectfully submitted,

Cynthia Tenney
Executive Assistant
Third Taxing District

Third Taxing District
of the City of Norwalk
June 25, 2018

COMMISSIONER (name of Commissioner) MOVED TO APPROVE THE MINUTES OF (date of meeting) SPECIAL COMMISSION MEETING.

OR

COMMISSIONER (name of Commissioner) MOVED TO APPROVE THE MINUTES OF (date of meeting) SPECIAL COMMISSION MEETING AS CORRECTED.

**Third Taxing District
Financial Highlights
Jul-May- 2018 vs. Jul-May 2017**

	Jul-May 18	July-May 2017	\$ Change	% Change
Total Income	9,364,323	9,419,411	-55,088	-0.58%
Total Expense	9,040,692	9,646,855	-606,163	-6.28%
Net Ordinary Income	323,631	(227,444)	551,075	242%
Other Income	1,683,505	356,125	1,327,380	373%
Other Expense	20,240	36,126	(15,886)	-44%
Net Income before Rate Stabilization	1,986,896	92,555	1,894,341	2047%
Rate Stabilization	39,741	1,279,113	-1,239,372	-97%
Net Income	2,026,637	1,371,668	654,969	48%

CASH BALANCES FY 06/30/2018

ACCTS

	May-18
Operating Accounts	1,897,149
Construction WIP	27,013
Savings	1,258,580
Capital Improvements Fund	1,998,155

TTD Outstanding Principal Balance with CMEEC

Balance as of July 1, 2016	4,345,583
Current Balance	3,188,764
Current Fiscal Year Capital Additions to date	747,108

Power Supply	Current Fiscal Year-to-Date	Last Fiscal Year-to-Date	\$ Change	% Change
Energy Cost	\$ 5,227,852	\$ 5,792,683	\$(564,831)	-10%
Budget Energy Cost	\$ 4,809,624	\$ 5,503,049	\$(693,425)	-13%
Energy Cost Cents/KWH	9.800	10.750	\$ (0.95)	-9%

Third Taxing District
Profit & Loss Prev Year Comparison
May 2018

	May 18	May 17	\$ Change	% Change
Ordinary Income/Expense				
Income				
443-00 · Cervalis Data Center Revenues	21,371.22	19,109.79	2,261.43	11.83%
440-00 · Residential Sales	257,860.28	228,471.40	29,388.88	12.86%
442-01 · Large Commercial Sales	70,729.75	66,773.60	3,956.15	5.93%
442-02 · Small Commercial Sales	193,451.07	179,448.44	14,002.63	7.8%
445-01 · Water Pollutn Contrl Pnt Sales	86,787.39	77,680.11	9,107.28	11.72%
445-02 · Flat Rate	8,347.29	8,383.29	-36.00	-0.43%
451-00 · Miscellaneous Service Revenue	2,299.94	7,452.37	-5,152.43	-69.14%
557-00 · Purchased Power Adjustment	88,706.33	78,174.55	10,531.78	13.47%
Total Income	729,553.27	665,493.55	64,059.72	9.63%
Cost of Goods Sold				
555-00 · Electrical Power Purchased	405,018.72	397,584.78	7,433.94	1.87%
Total COGS	405,018.72	397,584.78	7,433.94	1.87%
Gross Profit	324,534.55	267,908.77	56,625.78	21.14%
Expense				
904-00 · Substation	15,163.75	13,662.00	1,501.75	10.99%
403-00 · Depreciation Expense	64,676.80	64,676.80	0.00	0.0%
408-00 · Taxes	973.02	922.97	50.05	5.42%
540-00 · Other Power Generation Expense	1,596.29	14,374.01	-12,777.72	-88.9%
580-00 · Distribution Expenses	4,798.87	33,294.84	-28,495.97	-85.59%
590-00 · Maintenance Expenses	47,220.29	47,754.43	-534.14	-1.12%
900-00 · Customer Accounts & Service	27,759.44	41,479.98	-13,720.54	-33.08%
920-00 · Administrative Expenses	162,291.58	142,155.38	20,136.20	14.17%
Total Expense	324,480.04	358,320.41	-33,840.37	-9.44%
Net Ordinary Income	54.51	-90,411.64	90,466.15	100.06%
Other Income/Expense				
Other Income				
418-00 · Dividends	3,444.37	0.00	3,444.37	100.0%
419-00 · Interest Income	789.00	940.49	-151.49	-16.11%
420-00 · Gain/(Loss) on Investments	1,983.61	9,195.39	-7,211.78	-78.43%
421-00 · Norden Project Income	44,744.00	21,596.44	23,147.56	107.18%
424-00 · Energy Conservation Fund Income	4,558.28	3,780.22	778.06	20.58%
425-00 · Miscellaneous Income	641,089.00	0.00	641,089.00	100.0%
Total Other Income	696,608.26	35,512.54	661,095.72	1,861.58%
Other Expense				
990-00 · Miscellaneous items	0.00	0.00	0.00	0.0%
Total Other Expense	0.00	0.00	0.00	0.0%
Net Other Income	696,608.26	35,512.54	661,095.72	1,861.58%
Net Income before rate stabilization	696,662.77	-54,899.10	751,561.87	1,368.99%
 Rate Stabilization	 27,804.60	 -4,579.54	 32,384.14	 707.15%
 Net income	 724,467.37	 -59,478.64	 783,946.01	 1,318.03%

Preliminary Unaudited - Internal Use Only - Modified Cash Basis

Third Taxing District
Profit & Loss Prev Year Comparison
July 2017 through May 2018

	Jul '17 - May 18	Jul '16 - May 17	\$ Change	% Change	
Ordinary Income/Expense					
Income					
443-00 · Cervalis Data Center Revenues	223,294.17	190,911.45	32,382.72	16.96%	
440-00 · Residential Sales	3,542,770.52	3,548,498.05	-5,727.53	-0.16%	
442-01 · Large Commercial Sales	946,852.33	943,088.52	3,763.81	0.4%	
442-02 · Small Commercial Sales	2,383,981.32	2,369,901.36	14,079.96	0.59%	
445-01 · Water Pollutn Contrl Plnt Sales	934,787.16	929,664.70	5,122.46	0.55%	
445-02 · Flat Rate	87,529.12	88,956.63	-1,427.51	-1.61%	
451-00 · Miscellaneous Service Revenue	89,962.11	32,605.86	57,356.25	175.91%	
557-00 · Purchased Power Adjustment	1,155,146.69	1,315,784.31	-160,637.62	-12.21%	
Total Income	9,364,323.42	9,419,410.88	-55,087.46	-0.59%	
Cost of Goods Sold					
555-00 · Electrical Power Purchased	5,227,852.47	5,792,682.86	-564,830.39	-9.75%	
Total COGS	5,227,852.47	5,792,682.86	-564,830.39	-9.75%	
Gross Profit	4,136,470.95	3,626,728.02	509,742.93	14.06%	
Expense					
904-00 · Substation	150,915.21	130,946.28	19,968.93	15.25%	Footnote 1
403-00 · Depreciation Expense	711,444.80	711,444.80	0.00	0.0%	
408-00 · Taxes	306,464.22	264,630.60	41,833.62	15.81%	Footnote 2
540-00 · Other Power Generation Expense	69,402.81	147,114.60	-77,711.79	-52.82%	Footnote 3
580-00 · Distribution Expenses	140,600.70	158,661.76	-18,061.06	-11.38%	Footnote 4
590-00 · Maintenance Expenses	486,755.35	482,500.53	4,254.82	0.88%	
900-00 · Customer Accounts & Service	307,805.25	254,358.92	53,446.33	21.01%	Footnote 5
920-00 · Administrative Expenses	1,639,451.90	1,704,514.65	-65,062.75	-3.82%	Footnote 6
Total Expense	3,812,840.24	3,854,172.14	-41,331.90	-1.07%	
Net Ordinary Income	323,630.71	-227,444.12	551,074.83	242.29%	
Other Income/Expense					
Other Income					
418-00 · Dividends	47,202.23	24,639.18	22,563.05	91.57%	
419-00 · Interest Income	8,200.77	6,972.79	1,227.98	17.61%	
420-00 · Gain/(Loss) on Investments	-12,441.38	41,178.72	-53,620.10	-130.21%	
421-00 · Norden Project Income	493,782.67	274,553.91	219,228.76	79.85%	
423-00 · Gain/(Loss) from Sale of FA	6,121.41	4,598.95	1,522.46	33.11%	
424-00 · Energy Conservation Fund Income	1,586.00	3,681.42	-2,095.42	-56.92%	
425-00 · Miscellaneous Income	1,139,053.50	500.00	1,138,553.50	227,710.7%	Footnote 7
Total Other Income	1,683,505.20	356,124.97	1,327,380.23	372.73%	
Other Expense					
426-30 · PERSON TO PERSON	20,240.00	20,000.00	240.00	1.2%	
942-00 · Interest Expense	0.00	140.09	-140.09	-100.0%	
990-00 · Miscellaneous items	0.00	15,985.41	-15,985.41	-100.0%	Footnote 8
Total Other Expense	20,240.00	36,125.50	-15,885.50	-43.97%	
Net Other Income	1,663,265.20	319,999.47	1,343,265.73	419.77%	
Net Income before rate stabilization	1,986,895.91	92,555.35	1,894,340.56	2,046.71%	
Rate Stabilization	39,741.00	1,279,112.62	-1,239,371.62	-96.89%	
Net income	2,026,636.91	1,371,667.97	654,968.94	47.75%	

Preliminary Unaudited - internal Use Only - Modified Cash Basis

Third Taxing District
Profit & Loss Statement
Explanation of Major Variances
Jul-May 2018 vs. Jul-May 2017

1. The increase in substation expense of \$19K is due mainly to an increase in call time as well as substation supplies. Note: All call time in relation to substation is now reported under this expense correctly as some was reported under distribution in the prior year.
2. The \$41K increase in taxes is a function of both our monthly revenues year to date as well as our purchase power bills with CMEEC year to date. For Gross Receipts tax, we receive a credit for the amount spent with CMEEC other than on transmission and distribution. As transmission and distribution costs fluctuate within the market so does our monthly tax credit.
3. The \$77K decrease in Other Power Generation Expense is due to a decrease in expenses with HO Penn for approximately \$12K, a decrease in expenses with Miratech for approximately \$27K, a decrease in expenses with Berkshire Environmental for \$10K, and a decrease in expenses with CMEEC for testing of \$14K. The timing of fuel expenditures with East River for the generators is also accountable for the decrease with respect to the prior year.
4. The \$18K decrease in Distribution Expense is due to a decrease in supplies for the substation and overhead lines.
5. The \$53K increase in Customer Accounts and services is due mainly to a reclass of wages in the current year for Kristen Malone. Kristen's wages were listed under the administrative category in the prior year and have been moved to customer accounts to remain consistent with our current year budget.
6. Administrative expenses decreased approximately \$65K due to the reclass of wages noted above in Footnote 2 as well as notable decreases in seminars and trainings, and company truck expense as we no longer are leasing the Bucket Truck with Altec. Also, the repair and maintenance of the seawall project was included in our prior year expenditures. The remainder of the decrease is in the timing of insurance payments.
7. This amount represents the year-to-date equity distributions from CMEEC.
8. The prior year amount of \$15K is representative of the balance written off as an incentive for Cervalis to prepay their entire loan amount off.

THIRD TAXING DISTRICT
KEY PERFORMANCE INDICATORS (KPI'S)

			2018	May 2017	Industry Average (Bandwidth)
1)	<i>OPERATING RATIO</i>	TOTAL OPERATING EXPENSE / TOTAL OPERATING REVENUE	96.50%	102.41%	95-105%
2)	<i>POWER SUPPLY EXPENSE RATIO</i>	TOTAL POWER SUPPLY EXPENSES / TOTAL EXPENSES	58%	60%	65% - 70%
3)	<i>OUTSTANDING RECEIVABLES</i>	TOTAL DOLLAR AMOUNT OF CUSTOMER RECEIVABLES OVER 90 DAYS	\$35,038	\$397,230	
4)	<i>ACTUAL RATE OF RETURN ON RATE BASE</i>	AUTHORIZED BY STATE STATUTE	16.1%	11.3%	Varies by state
5)	<i>ELECTRIC CUSTOMERS PER EMPLOYEE</i>	TOTAL ELECTRIC CUSTOMERS / TOTAL FULL TIME EMPLOYEES	350	352	200 - 500
6)	<i>Rate Stabilization</i>	Rate Stabilization Fund Balance	\$ 3,986,008	\$ 3,757,406	Commission Approved Target of \$2.75MM - \$3.0MM
7)	<i>ENERGY LOSS %</i>	TOTAL ENERGY LOSSES/TOTAL SOURCES OF ENERGY	4.75%	4.32%	2.5% - 6%
8)	<i>SYSTEM LOAD FACTOR</i>	TOTAL KWH SALES + TOTAL kwh ENERGY LOSSES/8760/ HIGHEST HOURLY PEAK DEMAND	57.8%	54.1%	50% - 65%

East Norwalk - PCA Calculation

Power Cost Adjustment Calculation
6 Month Rolling Average (starting January 2014)

Yellow indicates Forecast

Orange indicates data is from the preliminary CMEEC monthly bill, numbers will change when the "true up" numbers are available from CMEEC

Green indicates the final numbers have been entered for the month.

Colors will change when actual numbers are received.

		2017 July	2017 August	2017 September	2017 October	2017 November	2017 December	2018 January	2018 February	2018 March	2018 April	2018 May	2018 June
Total Energy	kWh												
CMEEC Billable rate (\$/kWh)	\$/kWh	0.09000	0.09000	0.09000	0.09000	0.09000	0.09000	0.09000	0.09000	0.09000	0.09000	0.09000	0.09000
h Grand Total (Actual) Purchased Power Costs	\$	\$ 491,136	\$ 475,890	\$ 415,180	\$ 393,967	\$ 422,276	\$ 530,620	\$ 613,999	\$ 501,605	\$ 420,470	\$ 386,002	\$ 363,198	\$ 399,943
i (Sum of current and previous 5 months)	\$	2,444,343	2,514,654	2,544,013	2,596,444	2,628,946	2,729,069	2,851,932	2,877,647	2,882,938	2,874,973	2,815,894	2,685,217
j kWh's Purchased	kWh												
l Total Purchased Power kWh Units	kWh	6,143,036	5,667,380	4,825,991	4,274,352	4,611,012	5,694,565	6,237,294	4,782,202	5,166,753	4,409,436	4,344,469	4,986,070
m (Sum of current and previous 5 months)	kWh	29,713,910	30,636,562	30,175,886	30,327,898	30,658,965	31,216,336	31,310,594	30,425,416	30,766,178	30,901,262	30,634,719	29,926,224
Actual Power Costs per month (\$/kWh)	\$/kWh	0.07995	0.08397	0.08603	0.09217	0.09158	0.09318	0.09844	0.10489	0.08138	0.08754	0.0836	0.08021
n Power (Actual) Supply Costs @ Retail	\$	0.0869	0.0867	0.0890	0.0904	0.0905	0.0923	0.0962	0.0999	0.0990	0.0982	0.0971	0.0948
o Base Fuel Cost	\$	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958
p Loss Factor	%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%
q Calculated PCA	\$	(0.0089)	(0.0091)	(0.0068)	(0.0054)	(0.0053)	(0.0035)	0.0004	0.0041	0.0032	0.0024	0.0013	(0.0010)
r Actual PCA Implemented	\$	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230	\$ 0.0230
s Total System Retail Sales (kWh's)	kWh	6,019,350	4,852,074	5,239,125	4,289,634	4,127,665	4,538,082	6,107,957	5,377,195	4,181,812	4,655,436	3,883,582	4,706,850
t Base PCA Revenue	\$	576,654	464,829	501,908	410,947	395,430	434,748	585,142	515,135	400,618	445,991	372,047	450,916
u Fuel Factor Revenue	\$	138,445	111,598	120,500	98,662	94,936	104,376	140,483	123,675	96,182	107,075	89,322	108,258
v Total Revenues through PCA	\$	715,099	576,426	622,408	509,609	490,367	539,124	725,625	638,811	496,799	553,066	461,370	559,174
w Difference of Collection vs Expense	\$	\$ 4,483,713	\$ 4,584,249	\$ 4,791,477	\$ 4,907,119	\$ 4,975,209	\$ 4,983,714	\$ 5,095,340	\$ 5,232,545	\$ 5,308,874	\$ 5,475,938	\$ 5,574,110	\$ 5,733,341
Over collect / (Under Collect) in each month		\$223,963.06	\$100,536.48	\$207,228.04	\$115,641.49	\$68,090.12	\$8,504.57	\$111,626.07	\$137,205.61	\$76,328.91	\$167,063.77	\$98,171.93	\$159,230.87
RSF Balance at CMEEC		3,897,708	3,955,334	3,985,898	3,984,002	3,983,510	3,961,526	3,866,923	3,880,386	3,940,153.00	3,965,569.00	3,986,008.00	4,034,821.63
Diff between Billed Rate and Actual Cost	\$	0.01005	0.00603	0.00397	(0.00217)	(0.00158)	(0.00318)	(0.00844)	(0.01489)	0.00862	0.00246	0.00640	0.00979
Affect on RSF - by Month	\$	61,737.52	34,174.29	19,159.18	(9,275.35)	(7,285.40)	(18,108.72)	(52,642.76)	(71,206.98)	44,537.41	10,847.21	27,804.60	48,813.63

East Norwalk - PCA Calculation
Power Cost Adjustment Calculation
6 Month Rolling Average (starting January 2014)

		2018 July	2018 August	2018 September	2018 October	2018 November	2018 December	2019 January	2019 February	2019 March	2019 April	2019 May	2019 June
Total Energy	kWh												
CMEEC Billable rate (\$/kWh)	\$/kWh	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000
h Grand Total (Actual) Purchased Power Costs	\$	\$ 474,992	\$ 466,303	\$ 402,409	\$ 379,098	\$ 374,436	\$ 444,106	\$ 551,599	\$ 510,389	\$ 441,014	\$ 381,683	\$ 376,064	\$ 368,502
i (Sum of current and previous 5 months)	\$	2,546,210	2,510,907	2,492,846	2,485,943	2,497,181	2,541,344	2,617,952	2,662,038	2,700,643	2,703,228	2,704,856	2,629,252
j kWh's Purchased	kWh												
l Total Purchased Power kWh Units	kWh	6,143,681	5,947,203	4,796,372	4,164,175	4,401,056	5,304,107	5,923,543	5,142,550	5,079,842	4,214,973	4,303,972	4,987,627
m (Sum of current and previous 5 months)	kWh	29,832,612	30,997,613	30,627,232	30,381,972	30,438,558	30,756,595	30,536,456	29,731,803	30,015,273	30,066,071	29,968,987	29,652,508
Actual Power Costs per month (\$/kWh)	\$/kWh	0.07731	0.07841	0.0839	0.09104	0.08508	0.08373	0.09312	0.09925	0.08682	0.09055	0.08738	0.07388
n Power (Actual) Supply Costs @ Retail	\$	0.0901	0.0855	0.0860	0.0864	0.0866	0.0873	0.0905	0.0945	0.0950	0.0949	0.0953	0.0936
o Base Fuel Cost	\$	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958
p Loss Factor	%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%
q Calculated PCA	\$	(0.0057)	(0.0103)	(0.0098)	(0.0094)	(0.0092)	(0.0085)	(0.0053)	(0.0013)	(0.0008)	(0.0009)	(0.0005)	(0.0022)
r Actual PCA Implemented	\$	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130
s Total System Retail Sales (kWh's)	kWh	5,799,635	5,614,160	4,527,775	3,930,982	4,154,597	5,007,077	5,591,825	4,854,567	4,795,371	3,978,935	4,062,950	4,708,320
t Base PCA Revenue	\$	555,605	537,837	433,761	376,588	398,010	479,678	535,697	465,068	459,397	381,182	389,231	451,057
u Fuel Factor Revenue	\$	75,395	72,984	58,861	51,103	54,010	65,092	72,694	63,109	62,340	51,726	52,818	61,208
v Total Revenues through PCA	\$	631,000	610,821	492,622	427,691	452,020	544,770	608,391	528,177	521,736	432,908	442,049	512,265
w Difference of Collection vs Expense	\$	\$ 5,889,349	\$ 6,033,867	\$ 6,124,080	\$ 6,172,672	\$ 6,250,257	\$ 6,350,921	\$ 6,407,712	\$ 6,425,500	\$ 6,506,222	\$ 6,557,447	\$ 6,623,432	\$ 6,767,195
Over collect / (Under Collect) in each month		\$156,008.51	\$144,518.00	\$90,212.49	\$48,592.54	\$77,584.38	\$100,663.78	\$56,791.13	\$17,788.09	\$80,722.07	\$51,225.07	\$65,984.87	\$143,762.80
RSF Balance at CMEEC		4,051,348.13	4,060,804.19	4,042,098.33	3,996,125.84	3,973,768.47	3,953,984.16	3,876,267.27	3,777,273.18	3,742,628.66	3,698,160.69	3,666,397.37	3,696,921.65
Diff between Billed Rate and Actual Cost	\$	0.00269	0.00159	(0.00390)	(0.01104)	(0.00508)	(0.00373)	(0.01312)	(0.01925)	(0.00682)	(0.01055)	(0.00738)	0.00612
Affect on RSF - by Month	\$	16,526.50	9,456.05	(18,705.85)	(45,972.50)	(22,357.36)	(19,784.32)	(77,716.88)	(98,994.09)	(34,644.52)	(44,467.97)	(31,763.31)	30,524.28

East Norwalk - PCA Calculation
Power Cost Adjustment Calculation
6 Month Rolling Average (starting January 2014)

		2019 July	2019 August	2019 September	2019 October	2019 November	2019 December	2020 January	2020 February	2020 March	2020 April	2020 May	2020 June
Total Energy	kWh												
CMEEC Billable rate (\$/kWh)	\$/kWh	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000	0.08000
h Grand Total (Actual) Purchased Power Costs	\$	\$ 445,907	\$ 439,252	\$ 374,505	\$ 342,153	\$ 337,263	\$ 410,868	\$ 555,038	\$ 519,332	\$ 415,033	\$ 334,788	\$ 322,743	\$ 340,236
i (Sum of current and previous 5 months)	\$	2,523,559	2,452,423	2,385,913	2,346,383	2,307,582	2,349,948	2,459,079	2,539,159	2,579,687	2,572,323	2,557,802	2,487,171
j kWh's Purchased	kWh												
l Total Purchased Power kWh Units	kWh	6,145,842	5,949,372	4,798,136	4,165,566	4,402,446	5,305,976	5,925,665	5,319,425	5,081,719	4,216,437	4,305,324	4,989,184
m (Sum of current and previous 5 months)	kWh	29,874,807	30,681,629	30,399,923	30,350,516	30,448,990	30,767,338	30,547,161	29,917,214	30,200,797	30,251,668	30,154,546	29,837,754
Actual Power Costs per month (\$/kWh)	\$/kWh	0.07255	0.07383	0.07805	0.08214	0.07661	0.07743	0.09367	0.09763	0.08167	0.0794	0.07496	0.06819
n Power (Actual) Supply Costs @ Retail	\$	0.0892	0.0844	0.0829	0.0816	0.0800	0.0807	0.0850	0.0896	0.0902	0.0898	0.0896	0.0880
o Base Fuel Cost	\$	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958	0.0958
p Loss Factor	%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%	5.6%
q Calculated PCA	\$	(0.0066)	(0.0114)	(0.0129)	(0.0142)	(0.0158)	(0.0151)	(0.0108)	(0.0062)	(0.0056)	(0.0060)	(0.0062)	(0.0078)
r Actual PCA Implemented	\$	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130	\$ 0.0130
s Total System Retail Sales (kWh's)	kWh	5,801,675	5,616,207	4,529,441	3,932,294	4,155,909	5,008,841	5,593,828	5,021,538	4,797,143	3,980,317	4,064,226	4,709,790
t Base PCA Revenue	\$	555,800	538,033	433,920	376,714	398,136	479,847	535,889	481,063	459,566	381,314	389,353	451,198
u Fuel Factor Revenue	\$	75,422	73,011	58,883	51,120	54,027	65,115	72,720	65,280	62,363	51,744	52,835	61,227
v Total Revenues through PCA	\$	631,222	611,043	492,803	427,834	452,163	544,962	608,608	546,343	521,929	433,058	442,188	512,425
w Difference of Collection vs Expense	\$	\$ 6,952,510	\$ 7,124,301	\$ 7,242,600	\$ 7,328,280	\$ 7,443,180	\$ 7,577,274	\$ 7,630,845	\$ 7,657,856	\$ 7,764,752	\$ 7,863,022	\$ 7,982,467	\$ 8,154,656
Over collect / (Under Collect) in each month		\$185,315.71	\$171,790.86	\$118,298.47	\$85,680.78	\$114,899.55	\$134,094.11	\$53,570.63	\$27,010.97	\$106,896.20	\$98,270.12	\$119,444.71	\$172,189.28
RSF Balance at CMEEC		3,742,708.18	3,779,415.80	3,788,772.17	3,779,857.86	3,794,782.15	3,808,418.50	3,727,414.67	3,633,633.20	3,625,146.73	3,627,676.59	3,649,375.42	3,708,297.68
Diff between Billed Rate and Actual Cost	\$	0.00745	0.00617	0.00195	(0.00214)	0.00339	0.00257	(0.01367)	(0.01763)	(0.00167)	0.00060	0.00504	0.01181
Affect on RSF - by Month	\$	45,786.53	36,707.63	9,356.37	(8,914.31)	14,924.29	13,636.36	(81,003.84)	(93,781.47)	(8,486.47)	2,529.86	21,698.83	58,922.26

2018 DECEMBER

SUN	MON	TUE	WED	THU	FRI	SAT
						1
2 Tree Lighting	3 Commission Meeting	4	5	6	7	8
9	10	11	12	13	14	15
16	17 Commission Meeting	18	19	20	21	22
23	24 Office Closed	25 Christmas	26	27	28	29
30	31 Office Closed					

THIRD TAXING DISTRICT
ELECTRICAL DEPARTMENT

PURCHASES AND QUOTATIONS

9/4/15

Revised 10/17/16

Revised 7/2/18

It is the policy of the Third Taxing District of the City of Norwalk and the Board of Commissions to support the practice of purchasing products and or services that provide the best value based on quality, service, and price.

The following guidelines shall apply:

1. In purchasing or leasing, materials & supplies or services, if any single item to be purchased or leased or the total amount of any service contract does not exceed \$10,000 in total payments, no quotations or written bids shall be required. However, any such purchase, lease, or service in this Section shall require prior approval of the General Manager or Commission.
2. In purchasing or leasing materials & supplies or services, if any single item to be purchased or leased, or the total amount of any service exceeds \$10,001 but is less than \$20,000, three quotes will be required and must be noted and filed accordingly. Any such purchase, lease, or service in this Section shall require prior approval of the General Manager or Commission.
3. In purchasing or leasing materials & supplies or services, if any single item to be purchased or leased, or the total amount of any service exceeds \$20,001 but is less than \$50,000 (fifty thousand dollars), three quotes will be required and must be noted and filed accordingly. Any such purchase, lease, or service in this Section shall require prior approval of the Commission.
4. In purchasing or leasing materials & supplies or services, if any single item to be purchased or leased, or the total amount of any service exceeds \$50,001 (fifty thousand one dollars) or more, bid specifications will be generated and advertised at a minimum in the *Norwalk Hour*, and in additional suitable publications at the discretion of the General Manager. Subsequent to noticing the bid request as above, a reasonable attempt should be made to solicit additional bids from reputable vendors by contacting them by mail or phone. A minimum of three written bids shall be required (and must be filed accordingly). Any such purchase, lease, or service in this Section shall require prior approval of the Commission.
5. Quotes and written bids must come from reputable companies who meet the proper insurance requirements. The Commission reserves the right to reject any and all bids for any reason it deems necessary, however, preference will be given to the lowest bidder based on quality, service, reputation and whether or not the business is local.

6. “Approval by the Commission” can take place by (a) a Commission vote taken during a special or regular meeting, or (b), the specific item to be purchased or leased must be clearly identified in a budget already approved by the Commission. Any line item in the Capital Budget which is approved by the Commission and is bid out formally at project time, and exceeds the budgeted amount by 20% or more, must be presented and approved by the Commission at a special or regular meeting. Notwithstanding the above:
 - a) any project that exceeds \$100,000 for extensive renovation or repair of assets shall come back to the Commission for re-approval.
 - b) All purchases with any single item to be purchased or leased exceeding \$50,000 must be brought before the Commission for approval at a Regular or Special meeting
 - c) All capital purchases for the District that exceeds \$10,000 must be brought before the Commission for approval at a Regular or Special meeting.
7. Repairs such as vehicle or equipment repairs, where it would be impractical to get competitive prices, may be authorized by the General Manager without competitive prices.
8. The General Manager may have flexibility and use discretion in applying this policy based on experience and professional judgment (i.e. Single source bidder, unable to get quotes due to the nature of the items, etc.
9. Generally, professional services are exempt from this policy. The General Manager shall keep the Commission informed on an as-needed basis as decisions are made to hire individuals / firms with a specific expertise.

2018 APPA National Conference Report

From Saturday, June 16th to Wednesday, June 20th, I had the opportunity to attend the American Public Power Association (APPA) National Conference, held at the Hilton Riverside hotel in New Orleans, LA. The APPA National Conference offers preconference seminars, three days of keynotes, breakout sessions, and networking opportunities for the public power industry.

At this year's conference I attended a pre-conference seminar titled "**Solar Strategies: Cost Recovery and Pleasing Customers.**" This seminar focused on the following:

- Current state of the solar industry in the US
- Understanding the solar financing options and Green Bonds
- How to address the cost recovery associated with distributed solar while maintaining customer expectations
- Different rate designs like net metering and value of solar and potential revenue impacts
- How to address customer demand for solar and evaluate the impact of a community or utility-scale solar program

I also attended the following general and break-out sessions:

- **Opening Session** with presentations from Sue Kelly, APPA President and CEO and Jonathan Swan, National Political Reporter who discussed his take on what is really happening in Washington
- **The High Cost of Low Wages:** Discussion on how competitive wages allow you to attract and retain qualified employees, but this can be a challenge for public power utilities.
- **Fiber and Public Power: Catalyzing Development:** Presentation from Fort Collins Utilities and Lafayette Utilities Systems on the implementation of fiber in their service territories.
- **General Session: How Cybersecurity is Redefining Our World.** Presentation by Michael Daniel, Cybersecurity Advisor to President Obama and President, Cyber Threat Alliance
- **General Session: Unleashing Six Megatrends of the Next Decade:** Presentation by Chunka Mui, Futurist, Innovation Advisor and Author of "Unleashing the Killer App" and "Billion Dollar Lessons"
- **Pole Attachments: Defending Against Federal Interference:** Discussion on the FCC's attempt to preempt state and local pole attachment regulations.
- **Strategic Planning: Charting Your Utility's Future:** Presentation from Paducah Power System and Omaha Public Power District on their strategic planning process and status.
- **General Session: Challenges, Opportunities and the Future of Public Power:** Panel discussion with representatives from Sacramento Municipal Utility District, Longmont Power & Communications, EPB Chattanooga and Utah Associated Municipal Power Systems
- **Association Business Meeting:** APPA business meeting to approve the new board of directors and policy resolutions.

Attached is a copy of the conference sessions for your review. If you would like any of the material from any of the sessions that I attended or any of the other sessions, please let me know and I would be happy to forward the presentations to you.

The APPA National Conference was also an excellent opportunity to meet others in the public power industry and I would like to thank the Commission for the opportunity to attend.

Schedule at a Glance

All events in the Hilton New Orleans Riverside unless otherwise noted.

SATURDAY, JUNE 16

8:30 a.m. – 4:30 p.m.	Preconference Seminar Electric Utility Industry Overview and Challenges	Camp
8:30 a.m. – Noon	Preconference Seminars How the Federal Power Act Impacts Your Utility Follow the Money: Making Sound Financial Decisions	Jackson Royal
9 a.m. – Noon	Association Board of Directors Meeting	St. James Ballroom
1:30 – 5 p.m.	Preconference Seminar Cybersecurity: What Leaders Need to Know Advanced Metering: Don't Be Left Behind Strategic Rate Design: Trends and Case Studies	Jackson Royal Commerce
3 – 5 p.m.	Advisory Committee Meeting	St. James Ballroom

SUNDAY, JUNE 17

8:30 a.m. – Noon	Preconference Seminars Be Prepared: Disaster Planning and Response Guide Distributed Energy Resources: Managing the Risk Board Responsibilities: Excellence in Governance	Jackson Churchill B Churchill C
11 a.m. – Noon	PMA Task Force Meeting	St. James Ballroom
Noon – 1 p.m.	PowerPAC Board Meeting	Fulton
1 – 2 p.m.	Joint Action Agencies Meeting	St. James Ballroom
1:30 – 5 p.m.	Preconference Seminars Solar Strategies: Cost Recovery and Pleasing Customers Developing Policies that Demonstrate Effective Board Leadership Disaster Recovery: Navigating FEMA Grants	Churchill B Churchill C Jackson
2 – 4 p.m.	Legislative & Resolutions Committee Meeting	St. Charles Ballroom
4 – 5 p.m.	FERC/NERC Issues Briefing	St. James Ballroom
5 – 6 p.m.	Women in Public Power Reception	Port/Starboard/River
5:30 – 6 p.m.	Resource Central: Association Benefits for You	Parish
6 – 7:30 p.m.	Welcome Reception	Grand Ballroom

MONDAY, JUNE 18

7 – 8:15 a.m.	PowerPAC Breakfast (PowerPAC members only)	St. James Ballroom
8 – 8:30 a.m.	The Kinfolk Jazz & Brass Band	Grand Ballroom
8:30 – 10:30 a.m.	Opening General Session Welcome State of Public Power, Sue Kelly Inside Washington, Jonathan Swan	Grand Ballroom
9:30 – 11 a.m.	Guest Breakfast and Mardi Gras Mask Making	Quarterdeck AB
11 a.m. – Noon	Breakout Sessions Customer Service: Whose Job Is It Anyway? Tooting the Public Power Horn: Three Easy Tunes From Congress to Your Community: Federal Legislative Update The High Cost of Low Wages Assess and Act: Build Your Cybersecurity Program The Perfect Storm: Be Prepared with Mutual Aid Not Your Grandfather's Utility: Examine Your Business Model Electric Vehicles: Are You Ready for the New Load?	Commerce Camp Royal Jackson Fulton Jefferson Ballroom St. James Ballroom St. Charles Ballroom
Noon – 1:30 p.m.	Lunch (on your own)	
1:30 – 4 p.m.	Public Power Expo Preview Hours	Grand Salon
1:30 – 2:30 p.m.	Breakout Sessions Know Your Worth, Show Your Worth Air, Water, Waste: Federal Environmental Update The Wild West: Keeping Up with Market Developments New Manager's Roundtable Blockchain and the Energy Invasion: A Primer Fiber and Public Power: Catalyzing Development Community Solar Shines with Customer Engagement What's New in Energy Efficiency and Distributed Energy	Commerce Camp Royal Jackson Jefferson Ballroom Fulton St. James Ballroom St. Charles Ballroom
2:45 – 4 p.m.	General Session How Cybersecurity is Redefining Our World, Michael Daniel	Grand Ballroom
4 – 6 p.m.	Public Power Expo Grand Reception	Grand Salon
6 p.m.	Young Professionals Happy Hour	Public Belt

Schedule at a Glance

All events in the Hilton New Orleans Riverside unless otherwise noted.

TUESDAY, JUNE 19

8 – 10 a.m.	General Session Presentation of National Awards Unleashing Six Megatrends of the Next Decade, Chunka Mui	Grand Ballroom
10 a.m. – Noon	Public Power Expo	Grand Salon
11 a.m. – Noon	Breakout Sessions Standing Up to a Sellout Threat CO ₂ Emission Standards: What's Next? Pole Attachments: Defending Against Federal Interference Reaching Tomorrow's Customers: Energy Education for the Next Generation #CyberReady: Utilizing the Public Power Cybersecurity Scorecard FERC Evaluating Resilience: What's Up in the Markets? Electrification: When, Why and How The Winds of Change: Beyond Generation	Commerce Camp St. Charles Ballroom Jackson Jefferson Ballroom Fulton St. James Ballroom Royal
Noon – 1:30 p.m.	Public Power Expo Closing Luncheon	Grand Salon
1:30 – 2:30 p.m.	Breakout Sessions Bond Ratings: An Inside Look Public-Public Partnerships: Lighting Up the Navajo Nation Decarbonization 2.0: The State Impact Strategic Planning: Charting Your Utility's Future Public Power CyberSecurity and Mutual Assistance Measure It to Improve It: Benchmarking for Excellence Store Up the Benefits: Leveraging Energy Storage Adding Small Modular Reactors to Your Portfolio	Jefferson Ballroom Camp Royal St. Charles Ballroom Fulton Commerce St. James Ballroom Jackson
2:45 – 4:15 p.m.	General Session Challenges, Opportunities, and the Future of Public Power	Grand Ballroom
4:30 – 5:30 p.m.	Association Business Meeting	St. Charles Ballroom
8 – 10 p.m.	Concert & Reception: John Lisi & Delta Funk!	House of Blues

WEDNESDAY, JUNE 20

8 – 10:30 a.m.	Closing General Session Chair's Breakfast Tackling the Odds for a Life Touchdown, Joe Theismann	Grand Ballroom
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THIRD TAXING DISTRICT
PROJECT SUMMARY REPORT
FY 2017-2018

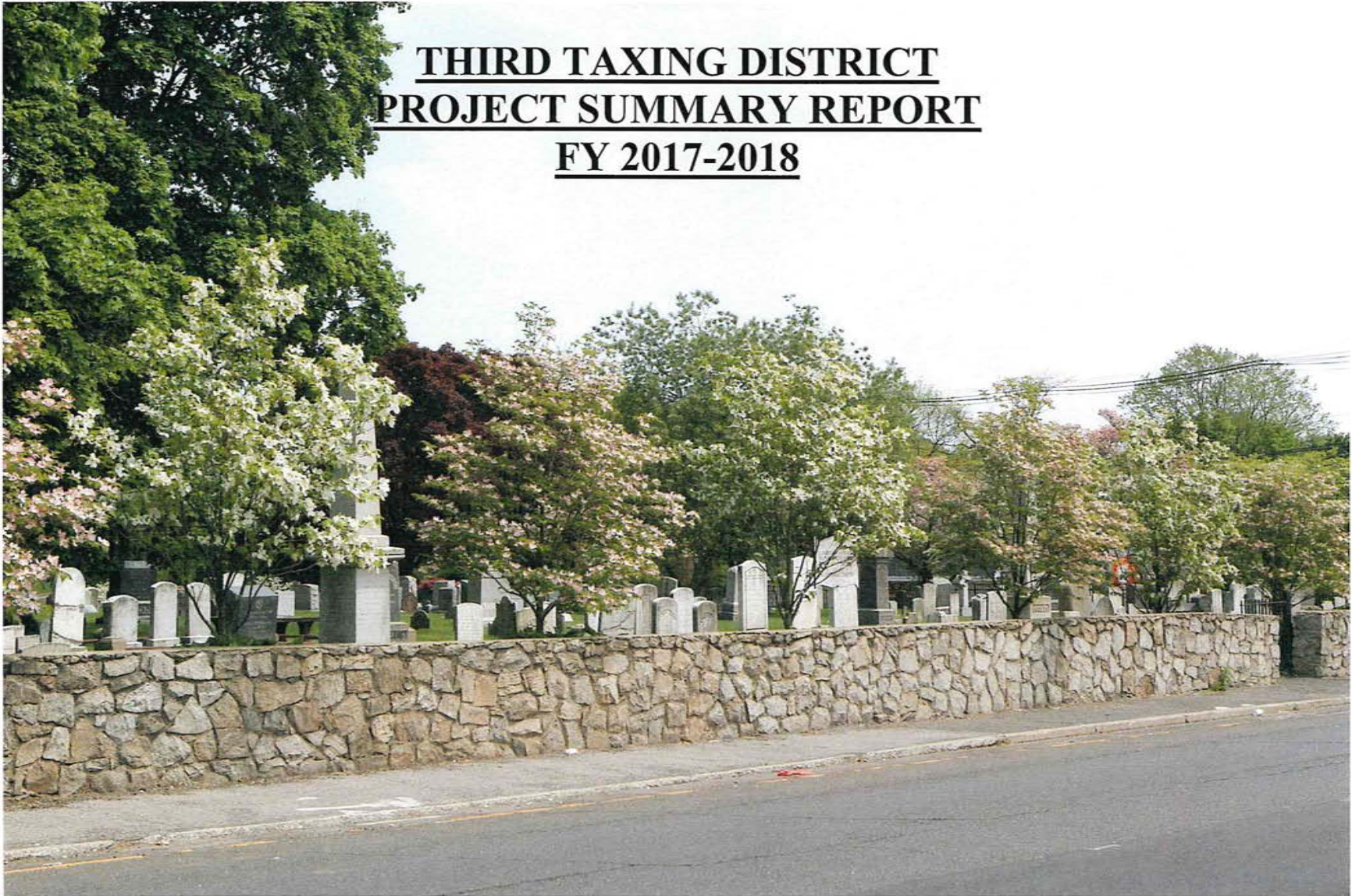


TABLE OF CONTENTS

PAGE #	PROJECT #	PROJECT
1	1	A-BASE METER REPLACEMENT PROGRAM
1	2	CUSTOMER SERVICE/MANAGEMENT TRAINING PROGRAM
1	3	SUCCESSION PLANNING PROCESS
1	4	RADIO-READ METER UPGRADE
1	5	UPGRADE FLEET VEHICLES
1	6	I/T SYSTEM MODIFICATIONS
2	7	COST OF SERVICE/RATE STUDY
2	8	STRATEGIC PLANNING PROCESS
3	9	PUBLIC RELATIONS/MARKETING PROGRAM
3	10	SUBSTATION UPGRADES AND IMPROVEMENTS
4	11	18 ROWAN STREET RENOVATION
4-6	12	MISCELLANEOUS
6	13	STATE (CT DOT) BRIDGE PROJECTS
6	14	LED FLOOD/SECURITY LIGHT UPGRADE
7	15	VERIZON SMALL CELL ANTENNA PROJECT
7	16	COMMERCIAL LIGHTING RETROFITS
8	17	LIBRARY ROOF PROJECTS

THIRD TAXING DISTRICT – PROJECT SUMMARY

UPDATED: JUNE 29, 2018

#	PROJECT	STATUS	TIMELINE	COMMENTS/MONTHLY UPDATE
1)	A-Base Meter Replacement Program	<ul style="list-style-type: none"> In progress – with Meter Department 	On-Going – until all A-Base meters have been replaced	<ul style="list-style-type: none"> February 2018 – No A-Base Meters have been installed since the summer, but there remains 108 meters that still need to be replaced in the Distribution System. Working with staff to understand the A-Base meter issue and develop a plan. June 2018 - No A-Base replacements during the month.
2)	Customer Service/ Management Training Program	<ul style="list-style-type: none"> Training throughout the year based on training opportunities and employee schedules. 	On-Going	<ul style="list-style-type: none"> October 2017 – Tricia Dennison and Rachel Saunders attended “Developing Emotional IQ” seminar. Kevin Barber attended APPA Annual Conference in June
3)	Succession Planning Process	<ul style="list-style-type: none"> Complete with periodic review 	On-Going	
4)	Radio-Read Meter Upgrade	<ul style="list-style-type: none"> Approximately 92% of the system has been completed 	Multi-year program beginning in 2015. Will continue until completed	<ul style="list-style-type: none"> June 2018 – Installed 40 radio-read meters for a total of 3,506 to date or 92% of the system.
5)	Upgrade Fleet Vehicles	<ul style="list-style-type: none"> Purchasing/Leasing Vehicles in accordance with Five-Year fleet replacement schedule. 	On-Going	<ul style="list-style-type: none"> Digger Derrick truck to be replaced in FY 2018-19 Line truck to be refurbished in FY 2018-19 Chevy Equinox, lease complete in FY 2018-19, vehicle to be purchased
6)	I/T System Modifications	<ul style="list-style-type: none"> On-going to create greater efficiencies wherever possible 	Periodic updates as necessary	<ul style="list-style-type: none"> Upgrades to Microsoft Office and email systems completed in June

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7)	Conduct Cost of Service/Rate Study with Periodic Updates	<ul style="list-style-type: none"> Initial rate study conducted in 2013 with results implemented in October 2014. Update/"Tune-Up" completed in July 2016 Cost of Service Study on security lighting began in June 2016 	Security light cost of service study completed in October 2016.	<ul style="list-style-type: none"> Need to determine status of Security Light rates and if they have been implemented. Street Lighting COS Study dated Sept. 29, 2016 has been located. Study is being reviewed by Staff to determine if it was completed. Will be forwarded to Commission.
8)	Strategic Planning Process	<ul style="list-style-type: none"> To be presented to Commission at the Feb 1, 2016 meeting Presented and Approved at the Feb 1, 2016 meeting Initial sessions were conducted with the Staff and Commission on May 18 and 19 Follow-up meetings have been scheduled with the Staff and Commission for Aug 16 and 17 Meetings have been scheduled with the Commission and Staff on Sep 27 Future meetings are being scheduled with Commission and Staff A follow-up meeting has been scheduled with the Commission for Nov 15. 	<ul style="list-style-type: none"> Begin in 1ST Qtr 2016. Work continues into 2017 as necessary 	<ul style="list-style-type: none"> May 2017 – The following activities took place during the months April/May: <ul style="list-style-type: none"> A special commission meeting was held on Apr 10th to work on the charter revision, by-laws and vision statements. Steve Vandermeer facilitated the meeting and additional progress as made in all these areas. It was agreed that the Commission continue to address the legal issues surrounding the charter changes and move forward once a definitive legal opinion was received Commission has scheduled the August 20th Commission Meeting for Strategic Planning discussion.

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9)	Public Relations/ Marketing Program	<ul style="list-style-type: none"> Greyskye is TTD's public relations / marketing firm 	On-going	<ul style="list-style-type: none"> Monthly meetings have been held with Greyskye to discuss the following: Upcomings Events Newsletter Website updates Press Releases
10)	Substation Upgrades and Improvements	<ul style="list-style-type: none"> Projects on-going in all substations in order to upgrade / maintain compliance with CONVEX / FERC requirements 	On-going throughout 2017-18 fiscal year	<ul style="list-style-type: none"> T3 transformer replacement in progress, transformer has been ordered. Old T3 transformer has been taken out of service. Oil removed from transformer and properly disposed. Old transformer successfully removed on April 16th. Transformer manufacturer notified TTD on 4/30/18 of a manufacturing delay. TTD is working to develop an understanding of the delay and the affect on the project schedule. Witness testing scheduled for June 14-15, 2018. Witness test rescheduled for July 16-17, 2018 due to a factory delay.

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11)	18 Rowan Street Renovation	<ul style="list-style-type: none"> Property Acquired, house demolished and lot repaved Final step is to site a material storage facility on the site 	Summer of 2018	<ul style="list-style-type: none"> Since May 2017, the CAM Application was submitted. Met with Gill & Gill to review project and develop bid specs Bid packages being developed and will be available in January. Revised project schedule being developed. Bids received from 4 companies. Price exceeded expectations. Value engineering recommendations were requested from the bidders. Review of bids and valued engineering taking place. Contractor selected and approved by Commission on March 5th Contract is being reviewed by attorneys Contract signed Meeting with Contractor and Gil & Gil held on June 7th Monthly status meetings planned
12)	<u>MISCELLANEOUS</u> <ul style="list-style-type: none"> Annual Revenue/Expense Budget/ Five Year Capital Budget for FY 2018-19 	Preliminary discussions being held with staff on 2018-19 budget process	2018-19 budgets will be presented to the Commission in May/June of 2018	<ul style="list-style-type: none"> Started the internal budget process to prepare the 2018-19 budget. Draft budget to be sent to Commission mid to end of May for review Draft budget sent to Commission on May 25th Budget approved by Commission on June 25, 2018

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	<ul style="list-style-type: none"> Norden Generators 	Periodic testing for “Black Start” backup to the Norden facility and run into the ISO LFR Market	On-going	<ul style="list-style-type: none"> January 2017 - Nox stack testing was performed with State of CT – passed with no issues November 2017 – Spot audit from CT DEEP – passed with no issues Received revenue forecast update from CMEEC. Increase in revenues projected for the summer months (Jun – Sep) based on results of the summer LFR auction. Received a Consent Order form CT DEEP regarding stack testing issue from 2013. Commission addressed the issue at the June 25th Commission meeting.
	<ul style="list-style-type: none"> Solar Projects 	Potential projects discussed with residential and commercial customers	On-going	<ul style="list-style-type: none"> Staff continues to work with customers interested in pursuing solar projects in TTD’s service territory. Commission approved a solar project for the East Norwalk Library.
	<ul style="list-style-type: none"> Annual Financial Audit (FYE 6/30/18) 		Expected completion date – Oct 15 th of each year	<ul style="list-style-type: none"> Engagement letter executed with Hope and Hernandez
	<ul style="list-style-type: none"> Commercial Customer Visits 	On-going as schedules permit	Throughout 2018	<ul style="list-style-type: none"> Met with owner of 25 Van Zant Street Will schedule visits with customers throughout the coming year Met with Dooney & Bourke

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	<ul style="list-style-type: none"> Economic Development Initiatives 	On-going meetings with Elizabeth Stocker, the City of Norwalk's Economic Development Director and Laoise King, City of Norwalk's Chief of Staff	Throughout 2018	<ul style="list-style-type: none"> GGP – not proceeding with second service to mall. Elizabeth Stocker, no longer with the city. Will determine the next appropriate steps.
13)	State (CT DOT) Bridge Projects	Initial letter from CT DOT to TTD issued in March 2016. Regular updates have been received from CT DOT / Parsons Brinkerhoff as information is required	Remainder of 2016 into 2017 and beyond	<ul style="list-style-type: none"> May 2017 – Continued to work with CT DOT officials on the various bridge projects through attendance at scheduled meetings, etc. Several of these projects are reaching the 30% design/development phase, which triggers additional meetings and coordination efforts. Since May – Staff is continuing to attend meetings and monitor the project. Requested and received from the State of CT the current listing of properties that are being acquired for the projects. Requested updated list of properties being acquired from the State of CT following the redesign/change to the location of the Fort Point St RR Bridge. Received information from the State that no additional full acquisitions are occurring. Re-requested a list of properties from the State.
14)	LED Flood/Security Light Upgrade	On-going until completed	To be finalized in 2018	<ul style="list-style-type: none"> 99% of the security lights have been upgraded to LED.

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15)	Verizon Small Cell Antenna Project/Co-Location Equipment Attachments	<ul style="list-style-type: none"> • Verizon request to attach “Small Cell Antennas” on certain TTD poles. We anticipate they will attach to three to five poles in the system. • CMEEC Legal is developing a “Master Lease Agreement” on behalf of the MEU;s statewide outlining the terms and conditions for attachment 	In process – finalizing in the next 30-60 days	<ul style="list-style-type: none"> • May 2017 – Final comments have been received from all the Municipals on a draft of a Master Lease Agreement with Verizon. A “Lease Rate” is part of this agreement, similar to what we charge Cablevision for a pole attachment rate, and will result in some small incremental revenue to TTD on an annual basis (less than \$1,000/year) • Master Lease Agreement has been finalized by CMEEC Attorney and Verizon. Other MEUs have executed the agreement with Verizon • Verizon interested in attaching to multiple TTD poles • Attachment rate needs to be developed
16)	Commercial Lighting Retrofits	On-going	On-going	<ul style="list-style-type: none"> • December 2017 – The above commercial customers have not moved forward with the retrofits. • Staff reviewing the forms used for the lighting projects, possible changes to be implemented. • Discussions with Dooney and Bourke on possible lighting retrofit project.

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17)	Library Roof Projects	On-going	Roof – end of fiscal year 2018 Solar – to be determined	<ul style="list-style-type: none"> • Roof project – RFP developed and due by Thursday, April 13th. Recommendation to be presented to the Commission at the April 16th Commission Meeting • Contract being reviewed • Solar project – RFP developed and due by Wednesday, April 25th. Presented to the Commission at the May 7th Commission Meeting. • Roof scheduled to be completed by June 23rd • Solar project being presented to Commission at the June 4th Commission Meeting • Roof completed by contractor. • Working through change order requests from the contractor with Gil & Gil